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ADMINISTRATIVE PROBLEMS OF METROPOLITAN GROWTH

*(Text of a lecture delivered by Professor Arch Dotson,
on Monday, the 18th November, 1957).*

Prof. V.K.N. Menon (Director):

I now request Shri P.R. Nayak to formally take the chair on this occasion and conduct the proceedings of the meeting. I hoped that this would be his first public appearance in Delhi since his arrival here as Commissioner-designate of the Delhi Municipal Corporation. He has, I now understand, spoken on one occasion at a meeting. However, this is the first time that he has come to the Institute and I am indeed very grateful to him for having agreed to be with us this evening.

Chairman (Shri P. R. Nayak).

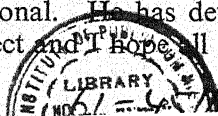
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The subject of today's talk by Prof. Dotson is the "Administrative Problems of Metropolitan Growth". I think it is a particularly apt subject for study and discussion in the context of the formation of our corporation for the administration of local affairs in this city. I know Professor Dotson has stimulating views on the matter. I have had a number of discussions with him on related problems and I do doubt that what he has to say today will give us a The goal of food for thought, though some of his ideas sharp rise unconventional. He has devoted a good deal grave refuge to the subject and I hope all of us will listen to deficit of nea interest.



May I attempt, first, to put the problem which I have been invited to discuss in an appropriate focus. It is not, in my view, most useful (either theoretically or practically) to consider the *administrative* problems of metropolitan growth, as such. There is one overwhelming reason for this. That is, in the recent past and for the foreseeable future, metropolitanism and growth are synonymous in every part of the world.

This inseparability is implied by certain dramatic data. In the decade between 1940 and 1950, the population of India's now three largest urban centres, Bombay, Calcutta, and Delhi, increased by over 60%. At present, Delhi's population is over 1,740,000, or 250% of what it was only 16 years ago. In the United States, the fourteen largest metropolitan areas grew during the last decade by 20%, while the population in the rest of the country increased by only 6%. This disparity in the rates of increase in America has continued during the last seven years. In Great Britain, 40% of the population has come to be confined in London and five other conurbations. Half the population of Australia is now concentrated in four large cities. These facts would seem enough to make clear that growth and metropolitanism have become two aspects of a single phenomenon. The problem might, therefore, be better regarded as the administrative problems of metropolitanism. I intend to use this simple perspective.

It is essential to establish another initial condition to the topic. The truth is that the distinctive administrative problems of metropolitanism are dependent upon metropolitanism. That is to say, the significant problems of the government of metropolitan areas spring from the special characteristics of metropolitan areas; and they do not otherwise arise. Thus, these problems are not the ordinary questions of the management of men and resources in co-operative endeavour, which questions it has been traditional to understand as administration. They are

certain unique problems of governance which are created by the conditions of metropolitanism.

I. Conditions of Metropolitanism

I find it necessary, therefore, to identify first the major conditions of metropolitanism. I cannot treat all these; but I have selected four which seem to me to be most relevant in the present context.

1. *Shelter and service*

One obvious condition of metropolitanism everywhere is the generation of a vast need for shelter. When lakhs of people come into a city annually, with them comes the demand for housing and for all of the utilities which are essential to living in an urban setting. May I illustrate this point briefly.

In New York City, an overspill of population has taken place in all directions, each year extending further and further from the central borough, Manhattan. One of hundreds of areas to be reached recently by this flow of New York City was Massapequa Park, a township 30 miles east of Times Square in Nassau County. Massapequa Park has four square miles of area; in 1940 it had a population of 400, who resided in some 90 dwelling units. As of today, it has a population of 22,000. Thus, in 17 years 21,600 people had to be housed in what was before a very small village. Approximately 4,000 new dwelling units had to be supplied. Water, electricity and sewerage connections had to be made; the houses and apartments had to be constructed; and the myriad of public services associated with 4,000 new living units had to be laid on.

In Delhi, this particular condition is painfully present. The growth of Delhi has, in fact, been accompanied by a sharp rise in the housing *deficit*, aggravated, of course, by the grave refugee problem. Whereas the Census disclosed a deficit of nearly 40,000 dwelling units in 1951, the Town

Planning Organisation have estimated a current deficit of 108,000 dwelling units.

Whether the demand is satisfied or not, the point is that an inherent condition of metropolitanism is the generation of a fantastic need for shelter and for the services which are associated with it.

2. *Circulation*

Another condition of metropolitanism is a choked system of circulation. While no doubt some of the worst situations in this respect are found in the metropolises of America and Europe, the characteristic is universal. It has been remarked that the world's great cities are strangling in their own traffic. The superficial explanation for this condition is found in a deficiency of facilities; the lack of adequate roadways, terminals; and want of cheap and sufficient public transport. But a deeper view reveals the source of the problem to be an intrinsic feature of the conurbation itself, the specialisation of areas. Work and consumer facilities are concentrated in small central areas, while the residences of the bulk of the population are steadily forced further away. In London, for example, over a million workers travel daily to the central area, and over three-fifths of this number come from beyond the county. In the City of London, the ancient core of the metropolis, the midnight population of 10,000 swells to several lakhs by noon.

An additional factor in the circulation problem, based partly on convenience and partly on necessity, is the sharp rise in travel by private auto. In the United States, motor vehicles have multiplied five times as rapidly as the nation's population since 1930. Since World War II alone, traffic volume on city streets across the nation has soared by 69%. We have estimated that traffic jams cost us in 1955 over \$5 billion, while automobile accidents added \$6.5 billion. Most of this staggering bill must be charged against the 14 metropolitan areas.

I do not, I trust, need to document the circulatory diseases of Delhi. Not only are roads and streets inadequate, except for a few parts of New Delhi, but also the traffic on the streets, consisting as it does of such diverse components as bullock carts, tongas, bicycles, scooters, hand carts, automobiles, and Sikh taxi-drivers, is a menace to life and limb. Neither goods nor people can move in these clogged passages of the metropolis.

3. *Blight*

Wherever there is a metropolis in the present real world, there is urban blight. The causes of blight are complex, but they are rooted in the process of urbanisation itself. As a metropolis spreads and residents move to the suburbs, or immigrants settle there, as land uses shift within the central districts, first the symptoms and then the sores of slums appear. It was reported recently in the United States after a national survey:

Now the cities are in a desperate race with the slums. As rundown areas are refurbished, other districts are slipping into ugliness; in some cities new slums spread faster than the urban renewal.

In London, vast areas around the docks and in the industrial boroughs are in slums, despite post-war rebuilding and the admirable efforts of the county to decentralise part of its excess population. Much of Paris, left and right banks, is a slum. The slums of the East are even more widespread and deleterious than those in the West.

In Delhi, the condition of blight is serious, and spreading. Many of the older parts of the city are solid slums. In the *Interim General Plan for Greater Delhi*, the Town Planning Organisation stated :

The magnitude and extent of the problem defy description, for within the limits of the Delhi Municipal Committee there are 700 'khatras' housing a population of over 1,00,000, some 35 'busties' housing another 90,000 persons, and in New Delhi

over 30 labour camps with a population of 30,000. These 'katras' and 'busties' have no proper ventilation, drainage, latrines, or filtered water supply, and thus, in their present state are unfit for human habitation. The existence of cattle-sheds, animal stables, factories, workshops and slaughter houses within this thickly populated area has added to the prevailing unhygienic and insanitary conditions.

4. *Sprawl*

The demographic growth of metropolises, which as I have explained is an inseparable element of metropolitanism itself, has its counterpart in physical growth. This is sometimes referred to as the suburban sprawl.

Suburban sprawl has produced on the eastern seaboard of the United States a continuous strip of 600 miles, reaching from Massachusetts to Washington, D.C. This strip has become practically one great conurbation. Similarly elsewhere, as for example in France, the Ville de Paris has steadily absorbed outlying land, until today metropolitan Paris extends in some directions as much as 30 miles from the Arc de Triomphe, reaching northwest to Pontoise, and south even to Corbeil.

In Delhi, within the brief period since the construction of New Delhi, residents have seen the new and old cities merge as a single urban mass. Within the briefer time of the last seven years, the urbanized area of Delhi has pushed south to Mehrauli and east past Shahdara. Moreover, we face the certain prospect that within the next decade urban Delhi will expand by 75 square miles.

Now, in sum, these four conditions, involving (a) shelter and services, (b) circulation, (c) blight, and (d) sprawl, are signal conditions of metropolitanism. They may be found in all of the world's great cities. They are the key characteristics of metropolitan growth which, with their consequent conditions, yield unique administrative problems.

II. Administrative Problems of Metropolitanism

I turn now to an examination of these problems; and I shall try to demonstrate the connection between specific metropolitan characteristics and specific administrative problems. I shall also attempt to suggest lines of solution.

1. *Adjustment of political boundaries*

I have indicated how the growth of population and the spreading of built-up areas have led to a vast metropolitan sprawl. When New York, for example, expands as it has recently by 50 square miles a year, it overruns whatever political boundaries happen to get in the way. The expansion of the social and economic metropolis will not be stopped, and urban regions are created. But not so, politically. And here, indeed, is one of the fundamental administrative problems of metropolitanism, that of the relation of metropolitan and political boundaries.

May I illustrate briefly the dimensions of this problem. As a result of its annual expansions, metropolitan New York now embraces 550 local governments, 17 counties, scores of special districts, and parts of three states. The 550 local governments vary in size from tiny townships to the Leviathan, the City of New York itself. Each is constitutionally independent of the others, however; and a great many of them do not recognize any common superior government, inasmuch as they fall in different states. London provides another leading example. There the County Council still occupies the territory assigned to it originally in 1888, while around it the metropolitan area has enlarged to include, in whole or in part, 3 county borough councils, 36 non-county borough councils, 26 urban district councils, 3 rural district councils, 3 parish councils, and 5 counties. Save for one or two extraordinary cases, such as Rio de Janeiro and Bombay, this condition of fractionated local government is common in metropolises. With the rapid growth of metropolitan areas, the overtaking of old political boundaries inevitably follows.

The consequences of this political confinement of the central city, while the real metropolis expands, are numerous and destructive. Great inequalities in essential government services are created. The central unit is forced to support a large transient population, from which it cannot recoup revenues. Where functions require common standards, large capital, or centralised administration, they cannot be provided efficiently and effectively throughout the metropolitan area.

Thus, the condition of sprawl creates a fundamental administrative problem that of adjusting the boundaries of the political units to correspond with the social and economic facts of the metropolitan region. It may be judged fairly that until such adjustment is made, the metropolitan communities will continue to flounder in administrative chaos.

2. Reconstitution of metropolitan government

A second problem is so closely related to the first, that of boundary adjustment, that I shall present it before examining solutions.

Just as the condition of sprawl has caused boundaries to become obsolete, so has it also rendered the constitutions of metropolitan governments themselves unsuitable. What I am saying now is that metropolitan sprawl has not merely created deficiencies in the outside of metropolitan government, but on the inside as well. In fact, the entire constitution of government at the metropolitan level needs in most countries a general reformulation. The major defect of existing charters, in addition to the functional weaknesses already identified, is political. Ironically, the existence of too many local governments has caused them to become irresponsible and unaccountable.

The root cause of this is that the citizen is served by multiple governments, but he has a power of control over only one—the one in which he resides. The problems of circulation which characterise metropolitanism reveal in

part the extent to which the metropolitan population moves daily within the area. But although such movement involves crossing many governments' jurisdictions, the citizen has effective representation in only one. For the masses of persons who work in a different jurisdiction from that in which they live, a divided civic loyalty is created. This division discourages political participation in the unit in which the citizen lives, while participation in the unit where he works is impossible.

Thus, the condition of sprawl, supplemented by the condition which has helped put such a burden on the circulation system, has created the need for a political reconstitution of metropolitan government.

It may be appropriate now to consider some of the solutions to these twin problems of (a) boundaries and (b) constitutions. In advance, however, it should be noted that although these problems spring from the same sources, their solutions may be incompatible. Thus, a device which promises to solve the boundary issue may aggravate the constitutional problem.

On the matter of boundaries, many approaches have been attempted. Undoubtedly the easiest and most common (perhaps because it is the easiest) is the *ad hoc* authority. This device, as it is usually employed, entails the surrender of single functions by a group of governments to a special independent agency. While several functions may thus be surrendered in a given metropolis, they are generally received by separate special agencies, with one or two exceptions such as the Boston Metropolitan Authority.

Without elaborating its many secondary weaknesses, one may see that the fatal infirmity of this approach is that while it partially solves the boundary problem, it worsens the constitutional problem. I say partially as far as boundaries are concerned, because only a few functions are put on a metropolitan basis, while many need to be. Moreover, the duplication of *ad hoc* agencies creates a problem of coordination between functions at the area-wide level,

instead of between units at the local level. Little *net* solution may thus be realized.

On the other hand, even if the establishment of many special authorities could solve the boundary problem, their creation would destroy governmental responsibility. Matters of vital importance to the citizen would be removed from his representatives. And when many local governments attempt to boss an *ad hoc* agency, experience shows that none can.

Another outstanding solution to the boundary problem, attempted by many great cities, is annexation, or as the annexing government always prefers to call it consolidation. By this solution, the central city absorbs the outlying areas until its boundaries include the metropolitan region. A single metropolitan government results. This solution has not been employed often, for it involves the elimination of the local governments which are combined; and these bodies have been singularly successful in resisting extinction. Nevertheless, important amalgamations have been effected in Manchester, Sydney, and Bombay.

Where it is politically possible to secure consolidation, this would appear to solve one of our twin problems, boundary adjustment. I say appear, for certain reservations must be attached to this solution. Unfortunately, the issue is more complex than it at first seems. While it is true that the existence of multiple governments wreaks administrative havoc in the metropolitan areas, not all municipal functions can be administered best on an area-wide basis. The rather simple assumption that functional efficiency increases with size is quite unfounded. In many activities a relatively small area is wanted; so special districts are often created for administrative purposes after governmental consolidation. This devolution is required by managerial pressures, not political. Further, over-centralisation, with its resulting congestion of headquarters operations with the inappropriate allocation of tasks among hierarchical levels of organisation, and with the inevitable operation of Parkinson's law, can be as destructive of

functional effectiveness as is governmental fragmentation. Even on narrow grounds of economy, savings cannot be expected from the regionalisation of all municipal functions.

On the other hand, it is most certainly true that annexation does not solve the constitutional problem of metropolitan administration. The resistance of localities and their electorates to consolidation is not sheer selfishness; nor is it blind parochialism. It is partly at least a reflex against the loss of political identity. A metropolitan region large enough for some administrative purposes is apt to contain many parts of very different character, which although they need a unified sewerage system, do not need to be merged into a single governmental unit. Further, it is self-evident that the substitution of one for multiple governments reduces, geometrically, the opportunities of citizens to learn to govern themselves in that most practical, painful school, local politics. The distance from the government to the governed is vastly increased by the abolition of community institutions.

What both of these solutions, special districts and annexation, lack is a pattern of elements which meets the related problems of effective management and responsible self-government, at once. The situation is not that they solve reasonably well the boundary issue and founder on the constitutional one. They do not deal tolerably with either problem.

Now, a more promising, and withal more satisfactory, attack on these interrelated problems of boundaries and constitutions, employs another approach. Since two problems must be solved at once, this solution aims at both. This constructive and balanced approach is metropolitan federation.

Parenthetically, it may be remarked that metropolitan federation is a British invention. Like a great many British institutions, it was certainly pragmatic and probably accidental in its origin. It did not work well at first; but it has now served for seventy years with increasingly

satisfactory results. Failure to expand the boundaries of the London County Council has, however, precluded still greater gains from this administrative form. The federation of an entire metropolitan area has been accomplished in only one place in the world : Toronto, Canada, in 1951. Within the last year Miami, Florida, in the United States has federated with Dade County. Proposals for federation are pending in Pittsburgh, St. Louis, and other American metropolises. The government of metropolitan Tokyo embodies many features of a federation.

The essential principles of metropolitan federation are very simple. A two-tier government is utilised. The premise is that those functions which require large-scale management, or common standards, or the full resources of the region are assigned to the metropolitan tier. The metropolitan government has its own powers and sources of revenue. The citizens of the metropolis choose the deliberative assembly, and hold it accountable for the services it is established to provide. On the other hand, services which may efficiently and adequately be provided by smaller units, that is those units previously existing or new ones, are provided at the community level. The local units have their powers and revenues, as well, and are popularly accountable.

By the application and adaptation of these principles, an optimum boundary and constitutional relationship may be achieved. The excesses of centralisation may be avoided, while those functions which require regional treatment may have it. A single, multi-purpose authority serves the entire metropolis. Hence, co-ordination among these regional purposes may be attained. Since the metropolitan government has popular bases, it can be assigned the difficult regulatory tasks which the unaccountable *ad hoc* agency cannot receive. Local self-government is maintained, or established if it did not exist; and the opportunities for popular political participation are maximised. The precious values of civic consciousness are permitted their proper scope. As a practical matter of costs, federated

management will prove in the long view cheaper. Here, then, is a constitutional instrument which is sound in principle and which possesses great flexibility for practical application.

3. *Planning for metropolitan development*

I turn now to another administrative problem of metropolitanism, planning. This problem is, perhaps, a product of all of the conditions which I have previously cited. It is easy to see how the demand for housing requires the regulation of land use, the provision of a rational and sufficient system of circulation, the scheduled supply of amenities, and so on. If blight is to be removed and, more important, prevented, it can be done only through the principles and methods of sound planning. The suburban explosion cannot be prevented, perhaps; but it can be directed.

May I elaborate this problem in administrative terms. I am speaking here not of the substance of planning, but of its administration.

There are two facets of the problem which have been most troublesome to date. The first is the provision of a proper organisation for planning. This difficulty is obviously related to problems of boundaries and constitutions just discussed. The failure of metropolises to solve the boundaries question has, thus, automatically precluded solving the planning organisation problem. But the disparity in appropriate areas for functional purposes is most apparent here, and the jurisdiction wanted for planning administration may well exceed the boundaries of even a federated metropolis. The ideal planning area may in given circumstances be larger than the optimum transport area, and greater than the largest area needed for water supply or for the distribution of electricity or for the other functions requiring large coverage. At the same time, it must not be overlooked that plans must regulate and guide *all* activities which affect the development of the planning area. Therefore, the plan must bind not merely private and local

governmental activities, but also those activities of higher governments which affect the physical development of the planning area.

A second facet of the problem is the relation of the function of plan-making and the rest of the administrative process. In the United States, 90 major planning surveys of metropolitan areas have been made. But no more than three or four of these can possibly claim to have had any direct effect on public policy. Fundamental to this ineffectiveness is the fact that planning agencies, with few exceptions, have been relegated to advice only. Boards of laymen have been established to prepare plans and to recommend planning measures. Professor Charles Haar has recently analysed the statutes by which 22 American states authorize regional planning activity. He has observed "how boldly they prescribe research, studies, and the drafting of a master plan, and how vague they leave the question of what is to be done with it."

Even the process of preparation (he notes) is not drawn up so as to elicit public support nor to be illuminating either to the general citizenry or to planning staffs and boards. Certainly the procedures for adoption are not devised with the thought of...having the final acceptance of the plan, which after all sets basic goals that affect the lives of the citizens in many intimate ways, a matter of public concern. Without such clarification, there is small hope for a reconciliation of divergent interests, without which planning becomes simply a pleasant intellectual hobby. (As quoted in *Architectural Forum*, Aug. 1957, p.127).

What, then, does experience or needed invention suggest as possible solutions to these basic administrative problems of metropolitan planning, which I shall call here (a) the organisation problem and (b) the functional problem? In this case, as with the boundary and constitutional problems, the solution to one problem may aggravate the

other. The best prescription must look to both problems at once.

It is essential, therefore, to go behind the issues in order to determine the essential nature of the planning process and the characteristics of plans made for metropolitan areas.

The planning process may be visualised in several ways. Most readily, perhaps, it may be viewed as a series of stages of activity. Where no plans have existed before, planning must mean, at the outset, their preparation. Technical staff must conduct studies and frame proposals. Next, the proposals of staff must be reviewed and sanctioned by the governmental authority which has the power to declare the plans in force. When the plans have been brought legally into operation, they must be implemented. But whereas initially there are three stages in planning administration, once some plans are in effect the stages blur indistinguishably. Plans are being made while others are being implemented; the process of implementation creates conditions which give rise to the preparation of new plans; unexpected conditions arise which call for the revision of outstanding plans; and plans sanctioned must later be resanctioned in effect through budget allotments, until they are satisfactorily completed or subsumed in other plans.

Therefore, planning is much more than the preparation of plans. Once begun, planning is a continuous process. This is not to say only that plan-preparation is a repetitive task; it is to say, rather, that planning is a continuum of plan-preparation, plan-sanctioning, and plan-implementation, and that all stages must operate simultaneously.

The planning process may also be viewed as substantive activities, irrespective of their relationship in time. To a major extent, the activities associated with the preparation of plans consist of research. The facts about the planning area which bear on its development must be compiled. The present and future needs and resources of the area must be evaluated, and developmental objectives drawn up. Planning

proposals must be formulated, together with the measures which are needed to carry them out. The sanctioning of plans, on the other hand, involves activities of review, generalisation, and appraisal. The sanctioning agency must satisfy itself as to the adequacy and accuracy of the data which underlie the proposals. The sanctioning agency must judge with special care the policies posed by the plans it calls into force. And finally, implementation of plans involves many activities. In some plans, simple regulation may be entailed. For example, if the plan is one for private development of housing subdivisions, it is often enough to apply zoning regulations and sub-division controls to the areas in question. In other plans, implementation may require direct public development. For example, if a satellite town is to be established, government must acquire the land, construct or have constructed at least the public buildings, and later provide essential amenities. Most plans, however, require both regulatory and developmental activities; and comprehensive master plans require the full range of state powers for their administration.

The point I am emphasising here is the interdependence of the activities which go into the preparation, sanctioning, and implementation of plans. Plans cannot be prepared efficiently without the injection of knowledge which comes from plan-implementation. Nor, similarly, is it possible for implementation to be carried on efficiently without appreciation of the research undertaken in plan-preparation. Moreover, the total plan itself is affected by implementation; for example, delay in achieving part of a housing programme may require intensification of regulatory measures to prevent unauthorised construction; or failure to plan for and complete the proper number of health and maternity centres may cause a need for a larger number of hospital beds. Again, plans obviously should not be sanctioned except in the knowledge that they best meet the needs of the area and can, in fact, be implemented practically.

Finally, the characteristics of metropolitan plans, *qua* plans, should be noted. When the plan-preparing

agency makes a plan, it is really in the nature of a programme. This, indeed, is the vital and essential character of a plan. While there are many different kinds of plans, as to both generality and subject matter involved, every viable plan is multi-dimensional.

The condition may be shown by example. If the plan-preparing agency prepared a public housing scheme, this may be mapped by indicating that certain areas are to be reserved for public housing. But certainly the designation of these reserved areas is not the plan. The plan consists of the totality of scheduled activity needed to bring the scheme to completion. As such, it includes such other things as provision for the acquisition of land; assignment of major tasks to public agencies involved; designation of dates by which the project is to be undertaken and completed; and preparation of a capital budget to cover essential revenues and expenditures.

While this characterisation is incomplete, it is enough for present purposes. It seeks to depict metropolitan planning as a continuous, co-ordinate, and programmatic process of effecting development.

The lines of solution to the problem of metropolitan planning lie, I believe, within this characterisation. On the organisational side, it becomes clear that some agency concerned with the *entire* planning process must have jurisdiction over the *total* planning area. On the functional side, it is evident that plan-making, plan-sanctioning, and plan-implementation must be comprehensively and systematically inter-linked.

Where a metropolitan federation exists, the optimum organisational arrangement is to have the overall planning agency at the metropolitan tier, even though this jurisdiction may not be entirely adequate for all planning purposes. In plan-making and plan-implementation, the relevant activities of all public bodies operating in the planning area must be co-ordinated through devices of mandatory referral, standard-fixing, cross-inspection, and central review. Since

plans are programmes, further, they must be sanctioned at several levels. It is not enough to leave sanctioning to the community level, where metropolitan and state governments affect significantly the development of the planning area. While administrative agreements are satisfactory for some purposes in plan-sanctioning, where a higher level of government has many projects in the planning area, its approval of the overall plan is also required.

4. *Finance*

Finally, one must recognise finance as a fundamental administrative problem of metropolitanism. More specifically, I shall remark on that colossal difficulty, revenue.

All of the conditions of metropolitanism have placed heavy burdens upon the resources of metropolitan areas. Immigrants to the cities do not ordinarily bring wealth with them; but they have many needs for public expenditures. In the long interim between their arrival and the time when they become fiscal assets rather than liabilities, the load of taxation must be borne elsewhere. Moreover, there is a delay between the beginning of land development and its productivity for tax purposes. Still, vast outlays must be made to expand the plant for municipal services. Blight brings a loss in property taxes; and sprawl permits the flight of the wealthier citizens to suburban fringes in the developed metropolis. These factors have conspired to create revenue crises in most of the world's great cities.

But the problem of revenue is, in the second instance, tied up with the three preceding problems: boundaries, the reconstitution of metropolitan government, and planning. When the region is fragmented into scores, or hundreds, of independent local jurisdictions, their resources are bound to be accidental. The position of all units in a conurbation puts upon them the costs of metropolitan, not merely urban, services. Further, the overall costs of services are needlessly high because of the duplication of certain facilities.

The first aspect of the metropolitan revenue problem therefore, is that of overall fiscal capacity. While the situation is different among metropolises and as between metropolises in under-developed and other countries, it is still true as a general proposition that metropolitan areas most nearly have within their boundaries resources sufficient to their needs. In the recent study of great cities of the world, by Professor Robson and others, it was shown again and again that metropolises contain much, and in many cases most, of the wealth of the states in which they are located. In Copenhagen, for example, we find that :

35 per cent of the total manpower employed in trade and industry is found there. Moreover, the big industry is chiefly centred here, for the capital absorbs 52 per cent of the total manpower of the whole country employed in firms of at least 100 employees. Again, 54 per cent of the total manpower in wholesale trade is employed in Copenhagen; and no less than 83 per cent of those engaged in the biggest concerns, which employ more than 100 persons.

Another sign of this concentration is that three-fourths of the share capital of the total number of joint stock companies belong to companies situated in the capital; 61 per cent of the imports to Denmark went via Copenhagen, while 32 per cent of the exports of the country left via Copenhagen. . . (and so on). (*Great Cities of the World*, London : Allen & Unwin, 1957, 2nd ed., p.231.)

Despite vast differences between Denmark and other countries, the economic significance of their metropolises is very much the same.

Just as there can be no doubt as to the relative fiscal capacity of metropolises, it is also certain that these centres possess high ability to administer complex revenue measures. The necessary financial skills and trained manpower are apt to be available in the great cities.

Metropolitan areas could, then, as a matter of capacity, go far to solve their own revenue problems. The difficulty, however, is that states and nations also depend upon the economic bases of metropolises for major portions of their revenue. The most productive taxes of these governments, the levies on personal and corporate income and on sales and consumption, draw from resources potentially available to a properly organised metropolitan government. That New York City recognises this fact is indicated by its offer to make a grant-in-aid to New York State, in exchange for unfettered taxing powers. The crux of the metropolitan revenue problem thus, becomes to secure for the metropolitan government a sufficient share of its own wealth.

At this point, the fundamental issue becomes political, rather than fiscal. When several levels of government depend upon the same resources, the adjustment of their competing claims is not found in fiscal science alone. How is fiscal science to determine that slum clearance is more deserving than defense of an exposed frontier; or that the services of a state government are more, or less, vital to the people of the metropolis than those of the local governments, or that the welfare of metropolitan citizens is more important than that of the rural citizenry. In this context, perhaps the most that students of public administration may prescribe is that the problem be reduced to its policy components. That is to say, the prior conditions which contribute to revenue deficiency must be solved first: boundaries must be properly drawn, metropolitan governments reconstituted, functions correctly allocated, and development soundly planned. Then, those revenue devices and measures which are most efficient and equitable within the sphere of exploitations available to the metropolitan government must be utilised. But when after this metropolitan reorganisation and re-tooling revenues remain insufficient, where adequate fiscal capacity does exist, only a re-evaluation of governmental tasks may promise the metropolises a greater share of the limited resources. So rare is this approach to the problem. the

objective measurement of fiscal capacity and the evaluation of competing claims, that it may be offered in this context as a constructive "solution".

I have, I fear, taken a long time to comment on a few problems. For this I beg to be excused, on the claim that the subject requires extended discussion. May I be brief, then, in conclusion. I hope that I may have made several points by these remarks :

- (a) that metropolitan growth is a universal phenomenon;
- (b) that metropolitanism has certain common conditions which yield, among others, the fundamental administrative problems of
 - (1) boundary adjustment,
 - (2) governmental reconstitution,
 - (3) planning, and
 - (4) revenue.

The brightest stamp of these issues is their dependence upon the conditions which foster them, and their interdependence one upon another. None of these problems is insoluble, as I hope I may have shown. But in public affairs, when all of the solutions are set out, there remains a supreme problem—how shall we ensure the will to apply the measures which promise to be effective?

QUESTIONS

Q. You suggested that federation is a solution for certain problems of metropolitanism, but in the context of the particular features of our federal government will it not lead again to centralisation and legalism ?

Ans. I do not think that metropolitan federation will lead to centralisation and legalism. On the contrary, it is much more likely to retard these conditions than are other forms of metropolitan administration. The reason

is that under a federal system, the local units hold the powers, not by virtue of their delegation from the first tier but by virtue of their own charters. There are fiscal problems for small units, to be sure. But here the course is to provide some system of subvention for the 'fiscal imbalance'. There may be a difference in the capacity of a unit for administration of some functions, and its capacity to administer revenue. Units which are most suited for democratic responsibility are not always those which can support themselves. In view of this, it seems to me again that federation, with its flexible allocation of tasks and resources, is the superior metropolitan form.

Q. Does your thesis of the integration of administration and planning hold good in a situation where both the Development Authority and the Corporation are there only by virtue of the fact that some area is declared a development area ?

Ans. It depends entirely on how significant the areas are. If there are many development areas involving important programmes of development, then obviously the Corporations' interests are present; but if the development areas are few and the authority's activities are limited to providing slight improvements in amenities, then perhaps conflict can be avoided. Surely, if the development areas are comprehensive and the Authority engages in functions which the Corporation also provides, such as water and electricity, then a conflict may occur.

Q. I take it that you expressed yourself in favour of the two-tier system. Isn't it that lately the tendency has been towards more and more centralisation ? Another problem that arises in this kind of federated co-operation is the question of contrasts. It would be bad if there are contrasts in the standards of services provided by local bodies within the delegated spheres. Don't you think it is an argument in favour of centralisation ?

Ans. You have stated one side of the case. I notice that when you identify the factors that make centralisation

desirable, they are almost exclusively administrative. There are, as I have said, certain functions which can better be administered by a large unit. There are also disparities in the wealth and resources of the local units; and there are problems of equalising opportunities, and so on. All this must be admitted.

But I would draw your attention to another side of the case. I suppose the ultimate solution to this problem depends upon the values that are attached to administrative efficiency, as opposed to democratic political participation. There are varied and vital considerations of self-government at stake. We must construct areas which permit people to learn self-government so that they may take greater and greater responsibility for their own welfare. It seems to me that the consequence of this is not just local. The people of India must surely learn this kind of initiative, must learn to govern themselves.

This is so important that it overrides many administrative considerations. Here in India, we are making a great effort to revive the village panchayats. So, in the community development programme we are trying to teach people to solve their common problems. I am struck, however, by the contrast between this philosophy with respect to the panchayats and what I gauge to be the prevailing urban principle.

Q. Where federated arrangements of metropolitan government are in force, what sources of revenue are reserved for the second tier and which are reserved for the first tier ?

Ans. Both tiers secure a major portion of their revenues from the property tax. In addition, both charge certain fees for the services rendered by them. Sales and consumption taxes are best reserved to the upper tier, with part of the proceeds distributed to the constituent units.

Chairman (Shri P.R. Nayak) :

Prof. Dotson has given a very thought-provoking address. What he said has raised a few points in my mind.

He has spoken of metropolitan growth; that is something inevitable but at the same time attended by all the evils—blight, sprawl and slum growth. This is an unhappy development. The problem is one of overcoming these. Indeed, it is a very onerous task. Could we not think of controlling metropolitan growth in some measure? It would be a difficult administrative and political problem; but if we apply our mind to it, we might as well find out to what extent the growth of metropolitan areas could be arrested. The growing cities create their problems, political, social and economic, and therefore we must make a conscious effort to arrest the growth of the larger cities. It has been attempted certainly in England. We are also taking some steps in this direction in our own country, but I think the whole problem is one which deserves and requires very careful thought. Secondly, on the question of federation or the two tier system of local administration, the experience in London which has tried this system over many decades, almost 70 years now, does suggest that the same problems of political rivalry, jealousy, the surrendering of power from one authority to another, do arise. There a concerted attempt has been made—I think over the last 30 years—to extend the jurisdiction of London County Council. But it has not met with success.

There is also the problem of various levels of taxation, the multiplicity of taxes that are levied on the citizens, and the varying degrees of services that may be rendered in different parts of homogeneous areas. While the picture in our country has to be looked at in a slightly different manner; I think our sub-urban sprawl has unfortunately been of a very depressed, slum-like development. It is not the case that the richer people desert the heart of the city and move out. It is the poor people who have been flocking to the city which is found growing. Thus unsatisfactory depressed slum-like colonies, call them suburban regions, will need a great deal of resources and a great deal of leadership both in the political and in the administrative spheres if they are to be brought up to a satisfactory level of services and amenities. Is it really practical in the context of this

nature to develop any place like Delhi or Bombay with the two-tier system where you give the individual the greatest initiative in matters that affect him most? Or is a transition period necessary during which you must try to bring up all these depressed areas to the level of the better developed central areas? That is a big feature of urban growth in India. The older parts of the city are best served and the outer parts are the most neglected. There is a proper organisation from the point of view of technical skill and ability to undertake large schemes and the ability to raise revenues and finance. I think this is an aspect of the matter which may have to be brought up. If I had had an opportunity to ask Prof. Dotson earlier, he might have given us an answer. I would like to thank him again on behalf of all of you for a most stimulating and thought-provoking lecture and most popular discussion.

Shri S.B. Bapat

The Director has unfortunately had to leave. I, therefore, on your behalf and on behalf of the Institute thank Prof. Dotson for his illuminating address. I also thank Shri Nayak for giving his valuable time to be present here with us today.

